

AMENDED IN SENATE JUNE 24, 2010

AMENDED IN SENATE JUNE 21, 2010

AMENDED IN SENATE JUNE 3, 2010

AMENDED IN SENATE JUNE 18, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 684

Introduced by Assembly Member Buchanan

February 26, 2009

An act to add Section 26011.9 to the Public Resources Code, relating to technology financing, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 684, as amended, Buchanan. Technology financing: California Alternative Energy and Advanced Transportation Financing Authority Act.

The

(1) *The California Alternative Energy and Advanced Transportation Financing Authority Act, administered by the California Alternative Energy and Advanced Transportation Financing Authority, among other things, authorizes the authority until January 1, 2021, to approve a project, as defined, for financial assistance in the form of a specified sales and use tax exclusion, in order to promote the creation of California-based manufacturing, California-based jobs, the reduction of greenhouse gases, or reductions in air and water pollution or energy consumption.*

This bill would authorize the authority to approve a project, as defined, for financial assistance in the form of bond financing, loans, loan guarantees, loan risk-factor guarantees, product warranty guarantees, or federal loan contributions consistent with the purposes of the federal award, in order to promote the creation of California-based manufacturing, California-based jobs, and the reduction of greenhouse gas, air, or water pollution. The bill would require the authority to publish notice of the availability of financial assistance and would require the authority to adopt regulations to evaluate projects based on need, job development, environmental benefit, and financial risk.

The bill would authorize the authority, in consultation with the State Board of Equalization and the Franchise Tax Board, to develop a program that allows for repayment of the financial assistance by providing an offset towards a company's repayment obligation based on specified state revenues generated as a result of the financial assistance or by a collective risk pool paid by private parties.

(2) *This bill would declare that it is to take effect immediately as an urgency statute.*

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 26011.9 is added to the Public Resources
- 2 Code, to read:
- 3 26011.9. (a) The purpose of this section is to promote the
- 4 creation of California-based manufacturing, California-based jobs,
- 5 and the reduction of greenhouse gas, air, or water pollution. In
- 6 furtherance of this purpose, the authority may approve a project
- 7 for financial assistance in the form of bond financing, loans, loan
- 8 guarantees, loan risk-factor guarantees, product warranty
- 9 guarantees, or federal loan contributions consistent with the
- 10 purposes of the federal award.
- 11 (b) For purposes of this section, "project" means the manufacture
- 12 or purchase of a technology that would qualify for financial
- 13 assistance under Section 26011.8 by a California-based company.
- 14 (c) The authority shall publish notice of the availability of
- 15 financial assistance authorized by subdivision (b), including criteria
- 16 for approval and application deadlines.

1 (d) The authority shall adopt regulations to evaluate projects
2 based on need, job development, environmental benefit, and
3 financial risk.

4 (e) The authority may develop a program, in coordination with
5 the State Board of Equalization and the Franchise Tax Board,
6 allowing for repayment of the financial assistance provided
7 pursuant to this section by either or both of the following manners:

8 (1) Offsetting the repayment obligation of a company receiving
9 financial assistance based on the amount of revenue received by
10 the state by either of the following:

11 (A) The state tax on the company's income and the company's
12 employees' incomes resulting from the financial assistance.

13 (B) The sales and use tax on the sale of a product of the company
14 resulting from the financial assistance.

15 (2) A collective risk pool paid by private parties.

16 (f) The authority may coordinate with the Capital Access Loan
17 Program established pursuant to Article 8 (commencing with
18 Section 44559) of Chapter 1 of Division 27 of the Health and
19 Safety Code to implement this section.

20 *SEC. 2. This act is an urgency statute necessary for the*
21 *immediate preservation of the public peace, health, or safety within*
22 *the meaning of Article IV of the Constitution and shall go into*
23 *immediate effect. The facts constituting the necessity are:*

24 *To expedite the promotion of California-based manufacturing*
25 *and California-based jobs, the reduction of greenhouse gas*
26 *emissions, the reduction in air and water pollution, and the*
27 *reduction in energy consumption by providing, as soon as possible,*
28 *financial assistance to projects undertaken by California-based*
29 *companies, thereby preserving the public peace, health, and safety,*
30 *it is necessary for this measure to take effect immediately.*